



PATENT
Attorney Docket No.: 051936-5001-01

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THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Kirk Watkins)

Application No.: 09/497,142)

Group Art Unit: 2768

Filed: February 3, 2000)

Examiner: Not Yet Assigned

For: A SYSTEM AND METHOD FOR
USING A PAYROLL DEDUCTION CARD
AS A PAYMENT INSTRUMENT)

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Sir:

**REQUEST FOR RECONSIDERATION OF RESPONSE TO DECISION ON PETITION
TO MAKE SPECIAL UNDER 37 C.F.R §1.102(d)**

In response to the Decision on Petition to Make Special dated September 5, 2001, Applicant respectfully requests reconsideration of the Decision to Deny Applicant's Petition to Make Special. In support of this request, Applicant respectfully submits the following:

(a) a statement asserting that all the claims presented are directed to a single invention; and

(b) a Supplemental Statement of Arlene P. Neal, attorney, in support of this Request for Reconsideration, discussing the references and the distinctions of the claimed subject matter over the references.

The Examiner denied Applicant's Petition to Make Special because Applicant's submission did not comply with M.P.E.P. § 708.02, VIII, (b) and (e). With respect to (b), the Examiner stated that the Petition to Make Special did not assert that all the claims presented were directed to a single invention. With respect to (e), the Examiner stated that the discussion in the Statement of Arlene P. Neal did not make clear how the claimed subject matter is patentable over the references.

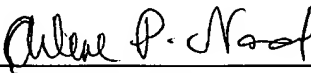
As provided in M.P.E.P. § 708.02, VIII, Applicant agrees to the special examination procedure detailed therein. Applicant asserts that all the claims presented are directed to a single invention. Applicant also agrees to elect, without traverse, one invention in the event the U.S. Patent and Trademark Office determines that all claims in the application are not obviously directed to a single invention.

Moreover, in support of this Request for Reconsideration, Applicant submits a Supplemental Statement of Arlene P. Neal, attorney, referring to the results of a pre-examination search that was made in connection with the invention and discussing the references and the distinctions of the claimed subject matter.

Accordingly, Applicant requests that this Request for Reconsideration be granted and the application undergo accelerated examination.

Respectfully submitted,

MORGAN, LEWIS & BOCKIUS LLP

By: 
Arlene P. Neal
Reg. No. 43,828

Dated: October 11, 2001

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Sir:

SUPPLEMENTAL STATEMENT OF Arlene P. Neal
IN SUPPORT OF THE REQUEST FOR RECONSIDERATION OF RESPONSE TO
DECISION ON PETITION TO MAKE SPECIAL

Arlene P. Neal states as follows:

1. I am an associate in the firm of Morgan, Lewis & Bockius LLP, and an attorney for the Applicant in the above-identified application. I am a member of the bar of the State of Massachusetts and the District of Columbia and a registered Patent Attorney, Registration No. 43,828. I make this Statement in support of Applicant's Petition to Make Special in the above-identified application.

2. The subject matter of the above-identified application relates to a system and method for using an e-duction card as a payment instrument, whereby a purchase price of articles purchased on-line or off-line is deducted from an employee's paycheck. An employee authorizes the inventive system to accept payroll deduction as a payment option for the employer's employees. The employer and system establish predefined guidelines for processing payroll deduction and identifying the employer and its employees. Thereafter, when an eligible employee selects articles from the vendor's website or off-line, the employee may use the e-duction card to pay for selected articles. The vendor and employer process the payroll deduction payment based on the predefined guidelines.

3. To determine the patentability of the claims in the application, a pre-examination search was conducted in the United States Patent and Trademark Office in Class 705, subclasses 26, 27, 28, 29; Class 902, subclasses 22, 24, 41. This search was conducted by Wesley L. Strickland of Lacasse & Associates, a professional patent search service.

4. The search uncovered the following patents most closely related to the subject matter of the application.

<u>Patentee</u>	<u>Patent No.</u>
Anderson	5,283,829
Gardner et al.	5,758,327
Harrington	5,895,454
Kolling et al.	5,920,847
Berger et al.	5,943,424

5. These references are discussed in detail below:

U.S. Patent No. 5,283,829 discloses an electronic bill payment system that includes billing equipment for creating an approval record and generating approval numbers for each pre-authorized subscriber. The bill payment system also includes an interactive payment approval apparatus which determines, based upon information collected, whether to initiate electronic funds transfer.

U.S. Patent No. 5,758,327 discloses an electronic ordering system that includes company specific requisition rules for multiple independent companies. The electronic ordering system receives a requisition, determines the company personnel who can authorize the transaction and produces an electronic order after authorization.

U.S. Patent No. 5,895,454 discloses a database used by local users to locate remote vendor network sites. After the local users interactively connect with one or more of the remote vendor network sites, the users select products/services from the remote vendor network site. The database and associated database interface transmit purchase/ordering data to the remote vendor sites corresponding to the uses' selection.

U.S. Patent No. 5,920,847 discloses a bill pay system wherein participating consumers pay bills to a participating biller through a payment network operating according to preset rules. The participating consumer receives bills from participating billers that indicate an amount and a unique biller identification number. To authorize remittance, a consumer transmits to a participating bank a bill pay order indicating a payment date, amount, the consumer's account number, and the biller identification number. The bank submits a payment message to the payment network that forwards the payment message to the biller's bank. Thereafter, the consumer bank debits the consumer's account and the biller bank credits the biller's account.

U.S. Patent No. 5,943,424 discloses an architecture for processing a plurality of transactions from a single point of initiation. The initiating computer selects a terminal identification token and associates the token with a transaction request, thereby ensuring the association of the transaction with a unique terminal. At the conclusion of the transaction, a set operation sets a date-time value to null, enabling the token to be reused for another non-concurrent transaction.

None of the cited references of record, whether taken alone or in combination, either teach or suggest the novel combinations of features recited in independent claims 1 and 27, and hence dependent claims 2-26, and 28-52.

Independent claims 1 and 27 each recite using an e-duction card as a payment option during commerce between a pre-selected vendor and an employee of an employer, whereby the amount paid for with the e-duction card is deducted from the employee's future pay comprising authorizing a processing system to offer payroll deduction as a payment option, establishing, by the pre-selected vendor and the employer, guidelines for a payroll deduction plan, creating the e-duction card and corresponding accounts, paying for selected articles with the e-duction card, confirming the employee's and vendor's status and processing the amount paid for with the e-

duction card against the employer's payroll system.

In contrast to Applicant's claimed invention, U.S. Patent No. 5,283,829 teaches a method of controlling on-line billing performed by a customer wherein the customer enters pre-authorization information to pay his bills via electronic transfer and receives an approval number that is associated with the pre-authorization information. Thereafter, when the subscriber dials into an payment approval apparatus and enters the approval number, the payment approval apparatus performs the electronic funds transfer if the approval number is matched with a number in a database.

U.S. Patent No. 5,758,327 teaches a method for storing company-specific requisition rules and using the requisition rules to process a requisition associated with one company and, if necessary, generating purchase orders for each requisition.

U.S. Patent No. 5,895,454 teaches a method for establishing a database of remote vendor products and using the database, by a local user, to access remote vendor web sites and select a product or service. Upon selecting a product or service, a transaction notification with the user's selection is triggered and delivered to the database, the transaction notification may be used to transmit purchasing data to the remote vendor's website.

U.S. Patent No. 5,920,847 teaches a bill payment network comprising order input means that is used by a consumer to input a bill pay order, a first transaction processor for processing debit portions of accounting transactions against a consumer account and a second transaction processor located at a destination node for maintaining a balance of a biller account and processing credit portions of accounting transactions against the biller account. To transfer funds between a consumer account and a biller account, the consumer transmits the bill pay order which includes, among others, an amount and a unique biller identification number, to the second transaction processor for processing against the biller account.

U.S. Patent No. 5,943,424 teaches a method processing of one or more payment transactions from a single initiation point, comprising selecting and associating a terminal identification token for each payment transaction and using the terminal identification token to manage the processing of the payment transaction.

Applicant respectfully submits that none of the cited reference teaches or suggests the Applicant's novel combination of features that includes the features of (1) using an e-duction card as a payment option during commerce between a pre-selected vendor and an employee of an employer, whereby the amount paid for with the e-duction card is deducted from the employee's future pay, (2) authorizing a processing system to offer payroll deduction as a payment option and establishing, by the pre-selected vendor and the employer, guidelines for a payroll deduction plan, (3) creating the e-duction card and corresponding accounts, paying for selected articles with the e-duction card and confirming the employee's and vendor's status, and (4) processing the amount paid for with the e-duction card against the employer's payroll system, as recited by independent claims 1 and 27.

Applicant therefore submits that the claims are patentably distinguish over these references.

Respectfully submitted,

MORGAN, LEWIS & BOCKIUS LLP

By: Arlene P. Neal
Arlene P. Neal
Reg. No. 43,828

Date: October 11, 2001

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